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24 January 1986

FOR DCI FROM NIO/NESA

1. The situation in South Yemen may have moved into a new phase suggesting that the crisis will not be resolved in the short term.
 - Whereas US ability to influence the outcome of the struggle in the short term was low, our opportunities during a medium term struggle become much greater.
2. If the loyalists in fact lose their foothold in Aden they may be able to turn their center of operations to the northern highlands and operate from there, independently supported by supplies from North Yemen. Such a struggle brings the very considerable weight of tribal backing into play.
3. The Soviets would seem to have lost out in several respects.
 - They have demonstrated cynical opportunism throughout the struggle, as not only unwilling to support the legitimate Hasani government, but also refusing to take sides so as to be with the winner.
 - They have sent a message to Marxist leaders in Angola, Ethiopia, and Afghanistan--possibly even to Qadhafi and Assad--that the Soviets are ready any time to allow the far left to overthrow the moderate left.
 - The solidity of Ethiopia as a Soviet ally has fallen into some question as Mengistu moves to support the loyalists covertly through North Yemen. Mengistu is undoubtedly disturbed by Soviet reluctance to allow the legitimate government to be supported.

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- PDRY is now one more Marxist country--once seemingly solid--which is under seige from within by forces hostile to hardline Marxist-Leninism.
- Tribalism--always latent in Aden--has been unleashed and will not easily be put back in the bottle. You would think Moscow might have learned something about tribalism from Afghanistan. The military in particular has probably been infected by this new whiff of tribal passions.
- The original key plotters against the government seem to have been executed or killed. Their leader--Abd-al-Fattah Ismail--was a harsh ideologue of a pro-Moscow stripe and a dangerous man with a known record of support for subversion throughout the Peninsula. His allies--probably more opportunists than true Marxist-Leninist--were also nasty types and their departure is fortunate.
- Moscow will have to seek names much less well known to head a new rebel government. It will take quite some time for such a government to get its act together.
- President Salih in Sana is disgusted with Soviet behavior, senses an opportunity to change the situation, and is eager for US support.
- The Saudis--while always cautious--have for over a decade been interested in any scheme which could turn the South Yemen government around.
- The Tripartite Alliance among Libya, Ethiopia, and PDRY would seem to be in even greater disarray.

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4. The US has new opportunities to support a long term struggle against a rebel pro-Moscow South Yemen government with the struggle lead by the former Chief of State Hasani who has yet to be legitimately deposed. In principle, he should be able to hold out for quite some time while enjoying the diplomatic support of almost all the Arab world and Mengistu to boot.

5. In the lucky event that President Hasani should win out he will be deeply embittered against the Soviet Union for its non-support throughout the struggle. The Soviets are not likely to do well there for quite some time to come. Most optimistically, South Yemen could even slip out of the Soviet column if enough enticements were offered.

6. Some have suggested that the US might wish to support as a yet unidentified "third force" in South Yemen which would reject both Hasani and the rebels and draw on tribal support to come to power. I am not close enough to South Yemeni politics to judge the likelihood of a serious national level leader emerging from the tribes and willing to oppose Hasani's own struggle. Possibly such leaders exist. But the reaction of most of the Arab world would be negative if such a movement were rawly tribal and reactionary, anti-urban in nature. A purely tribal base would severely limit the long term viability of any future new PDRY government--Aden is the capital and an anti-Aden force--which tribes tend to be--would probably not represent a viable solution.

-- I am not totally sure of this position, but it should be looked at carefully during any talk of a "third force." A tribal force enjoying adequate Saudi support would probably also be viewed negatively by most South Yemenis over the long run.

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7. A note of warning. If North Yemen commits itself to a national struggle to dislodge the Soviets from South Yemen than Moscow might move drastically to overthrow President Salih and try to impose a leftist leadership in Sana.

- I have long believed that a pro-Soviet coup is a greater likelihood in North Yemen than in any place else in the Arab world. This is not to say that Salih is weak or on the point of collapse. It is to say that his roots of power are not deep and Yemeni society is still fractionalized and somewhat tribal.
- Most tellingly, there is more than a generation of North Yemeni officers trained in the Soviet Union scattered throughout the Armed Forces. A good number of these officers--and probably some other important officers in the government as well--have undoubtedly been recruited by the Soviets over the years. The Soviets have probably been building a cadre of loyalists over the past two decades--not expecting to use them until the moment was opportune or the need urgent.
- If the YAR begins to play a major role in dislodging the Soviet position in Aden, the Soviets will unquestionably invoke on this capability immediately. This is not to say it would automatically succeed, but we need to be very concerned about the possible depth to which the USSR has penetrated this society.

8. All that said, the events in South Yemen could be an important watershed for western interests in the Peninsula.

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